



**Amy L. Brown**  
*Director of Real Estate*



February 25, 2010

DCYF Renewal  
 # 6439

BRCP 1390 Market, LLC  
 c/o John Osmond  
 Director, Broadreach Capital Partners, LLC  
 248 Homer Ave.  
 Palo Alto, CA 94301

Subject: Renewal of DCYF Lease at Fox Plaza

Dear Mr. Osmond:

City is a Tenant under an Office Lease dated March 6, 2006, (the “Lease”) for premises known as Suites 900, 902, and 903 (the “Premises”), in the building commonly known as Fox Plaza, 1390 Market Street, San Francisco, CA. BRCP 1390 Market, LLC is the Successor in interest to API Fox Plaza, LLC, as Landlord.

The initial term expires November 30, 2010. The Lease provides for two (2) options to renew the term for five (5) years, each, at a Base Rental of 95% of the then Fair Market Rent.

This letter shall serve to (1) exercise of City’s first option to extend the term of the Lease for Suites 900, 902 and 903 at 1390 Market Street pursuant to Section 4(D) for an additional 5 year period through November 30, 2015; and (2) confirm the agreement between Landlord and City for 95% of prevailing market rate, considering all factors pursuant to Section 5(C) for such 5 years.

The base rent during said first extension period shall be as follows:

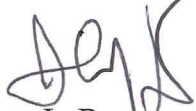
		<u>Monthly Rent</u>	<u>PSF</u>
Dec.1, 2010- Nov. 30, 2011	(Yr 1)	\$19,185.54	(Approx. \$24.50 PSF)
Dec.1, 2010- Nov. 30, 2012	(Yr 2)	\$19,968.63	(Approx. \$25.50 PSF)
Dec.1, 2010- Nov. 30, 2013	(Yr 3)	\$20,751.71	(Approx. \$26.50 PSF)
Dec.1, 2010- Nov. 30, 2014	(Yr 4)	\$21,534.79	(Approx. \$27.50 PSF)
Dec.1, 2010- Nov. 30, 2015	(Yr 5)	\$22,317.88	(Approx. \$28.50 PSF)

The renewal shall be on all of the other terms and conditions of the lease including but not limited to Section 5 (B), which does not allow pass throughs of operating expense increases.

Pursuant to Section 4(D), City's agreement is subject to enactment of a Resolution by the City's Board of Supervisors and Mayor, in their respective sole and absolute discretion; authorizing the extension period prior to May 15, 2010. Please be aware that no City Officer or employee has authority to commit City until such authorizing Resolution is duly enacted.

If the above accurately represents your understanding of our agreement, please execute below and we will proceed with submitting a Resolution to the Board of Supervisors. If you have any questions regarding this matter contact Charlie Dunn at 554-9861.

Very truly yours,

  
for Amy L. Brown  
as Acting Director of Property

Agreed, Accepted, and Receipt Acknowledged

Landlord

  
\_\_\_\_\_  
BRCP 1390 Market, LLC

Its DIRECTOR

Date 3/1/10

cc: Maria Su, DCYF  
Taras Madison, DCYF